



6/26/24

Re: JUNE 28 ITEM J-1

**TESTIMONY IN SUPPORT FOR CONTINUATION OF RP #25**

Fr: Permittee Outfitters Kauai Ltd

Aloha Chairperson Chang and BLNR Members,

We'd like to mahalo and acknowledge Boating Administrator Ed Underwood and staff for putting together this info package for your review and for recommending continuation.

We're very appreciative for the opportunities to share our great public waters and lands and are very careful to be appropriate and fit in to our community and surroundings.

Mahalo nui,

Richard Haviland, President  
Outfitters Kauai Ltd

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**From:** |  
**To:** [Hastings, Alexandra L](#)  
**Cc:** [DLNR, BLNR, Testimony](#)  
**Subject:** [EXTERNAL] Pau Hana Place Waikiki  
**Date:** Tuesday, June 25, 2024 10:41:53 AM

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Dear Ms. Hastings,

Kindly bear with me as I try to understand your dept. and the upcoming meeting with DLNR on June 28, 2024 correctly.

You are the property manager of DOBOR responsible for statewide permits of state properties? The permits are granted for business purposes and are revocable at your discretion/recommendation? At the upcoming meeting on June 28, 2024, you are requesting BLNR to continue (i.e., renew?) these permits?

I would like to speak for Pau Hana Place at Waikiki. Its location is prime: on the water, crossroad between Waikiki and Ala Moana, gateway to both tourist places in Honolulu.

This property as you probably know was a wasteland for many years with overgrown grass and weeds and whatnots, an eye sore in the neighborhood and a shame and embarrassment to our city with so many visitors passing by it all the time.

Then!! Pau Hana came in. They cleared the land and leveled the ground. Facilities were set up to become a restaurant. It's not just the tables and chairs, cooking equipment and lighting. The proprietors installed tents, set up game areas for families, and other miscellaneous decorations to make the place warm and welcoming. Recently, different Hawaiian music bands joined in. They are not professionals but friends loving Hawaiian music. Then there's spontaneous Hula dancing from the patrons (customers). It's so very Hawaiian. There's also an exhibit and sale of local crafts from jewelry to intricate Hawaiian carvings.

The food is always good and freshly cooked. I might add it's well balanced and healthy. It's very reasonably priced. Anybody can come as opposed to other eateries on the water where membership is required. The bathrooms are surprisingly clean and drug free.

I wish you every success at the hearing with BLNR to "continue the permit" for Pau Hana Place, Waikiki.

Furthermore, I hope the permit fees will be discounted and parking for patrons will be provided/allowed free of charge on the property. I don't know if the "payment" is your department. We all want to support local businesses and help them be successful. Heavy fees may make the dept. look good. But I am sure you understand it's an overbearing overhead for businesses. We want to build our community.

Mahalo for your attention. Forgive me if what I have written is outside your

responsibility. Kindly advise where I should send this letter.

I do encourage you, your family and friends, your department and BLNR members to come and try out Pau Hana Place, Waikiki. It's unique and not many places like this are left in Hawaii anymore. Friday night at Pau Hane Place is a good way to start Aloha weekend.

Lastly, may I have the time and place of your meeting with BLNR?

Aloha regards,

Grace Lam  
303-807-3211

To: Chairperson & Members  
Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

From: Dolphin Excursions Hawaii, Inc.  
Victor Lozano, Owner/ President  
44-101 Kauinohea Pl.  
Kaneohe, Hawaii 96744  
808-551-3044

Re: Testimony in opposition for proposed increase in annual rent for Ref; RP 100 & RP 3.

RP 100 & RP 3 State property which is used as the Waianae Small Boat Harbor Trailer & Boat Storage & Spinner's Cafe, two DBA's operated by Dolphin Excursions Hawaii, Inc. is in opposition to the proposed increase in fees as it will negatively impact the community that we serve.

Our tenants ( Boat Storage or Café patrons ) are Waianae Residents who understand the following:

1. Dolphin Excursions charges fees that is based on fair market value for a facility like this in the Waianae area.
2. They pay for the privilege of keeping their boats in this secure area that was build and is maintained by Dolphin Excursions rather than the State of Hawaii.
3. They pay for food & drinks that are based on the local economy.
4. Should an increase occur as being proposed to Dolphin Excursions by DOBOR/DLNR, they (the tenants) face having the rent and food cost doubled.

Dolphin Excursions owns the buildings apart from the fence around the boat storage area. Lighting & cameras for security were installed by Dolphin Excursions. The boat storage area and buildings are maintained by a local Waianae resident as the caretaker who is full time at \$25/hr. and a local Waianae resident as the administrator who is full time at \$16/hr. Electric bill for the security lights at night and cameras averages \$2000/month, insurance naming the State of Hawaii as additional insured is also maintained at a cost of \$5965/year.

The Appraisal Report commissioned by DOBOR is filled with incorrections. Examples range from their map on the report depicting the parcel for RP 100, it's incorrect, the correct parcel is depicted in Exhibit A attached. Misleading assumptions about the economic rebound in the Waianae area, using land comparable to Kapolei a thriving community unlike Waianae. Based on just these items the report should be viewed as a faulty gauge to increase the rent. The appraisal report states that the initial monthly rent for the boat storage area was set at \$3252.82, another incorrection and lack of full discloser. The report states that RP 100 was executed Jan. 10, 2020, when in fact Dolphin Excursions obtained the initial lease in Aug. 2016 at which time the rent was set \$2028.00 for an approximate land area of .91 acres or 39639.6 sq ft. However, I'd like to point out that DOBOR took away an approximate quarter of the boat storage for themselves as storage area. Combined RP100 & RP 3 only make up .84 of an acre.

The next increase for the boat storage came in 2020 at \$3252.82 and then again increased a year later to the current \$3350.50/month or 10% of gross sales, whichever is greater.

The new proposed rate for RP 100 would be \$5974/month, that's almost doubled. The new proposed rate for RP 3 would increase to \$1553.59, another giant leap for a site that is surrounded by one of the highest rates of poverty on the island of Oahu.

Our fees for boat storage are based on \$12.50/ft, however 19 of the 30 boats the lot can accommodate are grandfathered in at a lower rate for financial assistance by Dolphin Excursions, so they pay \$8/ft. The lot can only accommodate mostly small 17ft to 20ft boats.

The Zoning for the Waianae harbor is P-2, but for reasons unknown or just to put RP 100 & RP 3 in a box the report list these areas as I-3 Zones. P-2 zones have a 5-acre minimum which RP 100 & R3 combined only have .84 of an acres, Zone P-2 are listed for the purpose of preservation and public use.

If the lease is increased to the proposed annual rent of \$71,688.00 for RP 100 & \$18,643.08 for RP 3, Dolphin Excursions will have to increase all rents/food cost which we believe will lead to default in payments and/or vacancies which will not get filled as well not being able to employ the staff. Should this occur Dolphin Excursions may be forced to terminate the lease for RP 100 & RP 3 so as not to default with the State of Hawaii on rent payments.

Boating for fishing is a way of life for most of the community we serve. The cost of living in Hawaii is already out of control and this increase will make boat ownership out of reach for many of them. This land that we lease is one of many that was vacant for years, it wasn't until Dolphin Excursions took on the challenge of opening and maintaining a boat storage that DOBOR started bringing in revenue for this property. Help me maintain a partnership with DOBOR and the community, Dolphin Excursions is willing to except a 3% increase as a normal deal but not a rate that almost doubles.

Victor Lozano  
President/Owner  
Dolphin Excursions Hawaii, Inc.  
Motion Picture Div.  
808-551-3044  
dolphinmpd@gmail.com

# EXHIBIT A

FREEMAN APPEL  
Department of the  
Attorney General

Subject

